

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA
THIRD DIVISION

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In Re:

Daniel John Lane,

Debor,

Vermillion State Bank,

Plaintiff,

vs.

Daniel John Lane,

Defendant.

Bankruptcy 03-37323
Chapter 7 Case
Adversary 04-3102

ANSWER TO AMENDED
COMPLAINT

/////////
Now comes Daniel John Lane for his Answer to the Amended
Complaint states and alleges as follows:

1. That I admit paragraph 1, 2, 3, and 13.
2. That I specifically deny paragraphs 7, 8, 9, 10, 11,
14, 15, 16, 17, 18, 19, 20, and 21.
3. That as to the remaining allegations, for various
reasons, as will be stated, I deny all other allegations.

That as and for affirmative defenses, I state and allege the
following:

4. That I was engaged in the trucking business and was
known to the Bank personnel through various previous loans.
5. That this answer is based on my recollection since I do
not have copies of the various documents which are in either the
Plaintiff's (Bank) and/or my Attorney's possession.
6. That the loan was a signature loan and was made on

(6)

December 20, 2002 (approximately 11 days prior to Bank's receipt of my Financial Statement).

7. That the Plaintiff never relied on the Financial Statement for issuing the original loan dated December 20, 2002 and since the loan was not paid by June of 2003, the Financial Statement was not a factor or material in the extension of the Note in June of 2003.

8. That the Bank was relying on the my past loan history (as documented by the attached Exhibit A) in making the December 20, 2002 loan for \$10,000 so the Bank could have or did run a credit check on me and again was not relying on the Financial Statement.

9. That the Bank failed to require security at the time of the loan or the extension.

10. That any misrepresentation was not material since the loan had already been made and the extension was clearly necessary because I could not pay the loan in full.

11. That in issuing my personal Financial Statement, I was listing debts relating to myself and my business and since the second Mortgage was being paid by my wife, it was inadvertently omitted the same as my wife's credit card bills which she was also paying.

12. That at no time was there any intent on my part to mislead or misrepresent any material facts.

13. That I was not delinquent in my payments on my truck lease until after the renewal/extension on June 20, 2003.

14. That Plaintiff did not rely on any statements made by

me.

15. That the problems in making payments arose after the renewal/extension due to me having to vacate the home in August of 2003 because of marital problems and since I could not afford the expense of a separate residence, a truck and living expenses, I returned the truck to Paccar Financial as documented by attached Exhibit B on August 6, 2003.


16. That any failure of mine could not have been relied on by the Bank since the loan was given 11 days before the Financial Statement was received.

WHEREFORE, the Defendant prays for the following:

1. Judgment dismissing Plaintiff's Complaint.
2. For such other and further relief as the Court deems proper.

Dated: _____

4-27-04


Daniel J. Lane
1130 Bahls Drive #257
Hastings, MN 55033

Dan Lane's Single Pay 6 Month Loan History with Vermillion Bank

| <u>Date</u> | <u>Amount</u> | <u>Due</u> | <u>Paid</u> | <u>Extend</u> | <u>Due</u> | <u>Paid</u> |
|--------------------|----------------------|-------------------|---|----------------------|-------------------|---------------------------------|
| 1. 6/11/97 | \$2500.00 | 12/08/97 | 12/01/97 | No | | |
| 2. 4/12/99 | \$5025.00 | 10/12/99 | 10/01/97 | No | | |
| 3. 12/27/99 | \$5025.00 | 6/27/00 | Interest \$289.72 | Yes | 12/27/00 | 12/26/00 |
| 4. 4/06/01 | \$5025.00 | 10/06/01 | 11/02/01 | | | |
| 5. 1/10/02 | \$7025.00 | 7/10/02 | Interest \$459.16 Principal \$5025 | Yes \$2000 | 9/10/02 | 10/04/02 |
| 6. 12/20/02 | \$10025.00 | 6/20/03 | Interest \$658.86 | Yes | 12/20/03 | In Bankruptcy Proceedings |

EX A

TO: DAN LANE TRUCKING INC.
318 EVERGREEN ST
VERMILLION, MN 55085

TAX ID: 61-1411227

Please be advised that the contract referenced in the attached addendum and assigned to PACCAR Financial Corp. is in default due to the failure to make payments as required under the terms and conditions of the contract. As of the date of this letter, the amount of the delinquency, including accrued late charges, is \$2,148.25. Formal demand is hereby made that the contract be brought current by payment in certified funds of the above-referenced amount, on or before August 18, 2003. Wire transfer can be made to PACCAR Financial Corp. c/o Bank of America, N.A. and S.A. San Francisco, CA, Account #1233585203, ABA routing #121000358.

If payment is not received by the date specified above, the entire contract balance will be accelerated and made due and payable immediately.

Failure to honor this demand will require that PACCAR Financial Corp. take steps to protect our security interest and recover our collateral. All costs and expenses of such action will be added to your account to the extent state law permits. In addition, PACCAR Financial Corp. reserves the right to seek recovery from you for any deficiency remaining after the sale of the collateral.

As required by law, you are hereby notified that a negative credit report, reflecting on your credit records, may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligation.

Contact our office immediately to arrange for the resolution of these contract issues or, in the alternative, return the equipment to Rihm Kenworth, 2108 University Avenue, St. Paul, MN 55114.

| PACCAR Financial Corp. | |
|----------------------------------|--|
| BY: | ADDRESS: PFC Midwest Office 590 Tollgate Road, Suite A Elgin, IL 60123 |
| Jeannie Urbanski | |
| TITLE: Collection Representative | PHONE: (847) 468-6240 |
| DATE: August 6, 2003 | FAX: (847) 468-6243 |

STATE OF MINNESOTA))
COUNTY OF DAKOTA) SS.

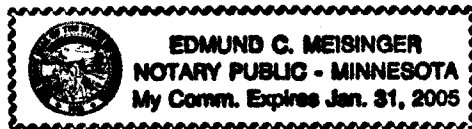
Daniel Lane of the City of Hastings, County of Dakota, in the State of Minnesota, being duly sworn, says that on the 27 day of APRIL, 2004, he served the Answer on:

by U.S. Mail directed to him at his address as shown above by mailing a copy in a sealed envelope, postage prepaid, with the U.S. Postal Service at W. ST. PAUL, Minnesota.

Daniel Lane
Daniel Lane

SUBSCRIBED AND SWORN to before me
this 27th day of APRIL, 2004.

ECM
Notary Public



April 23, 2004

Mr. Michael J. Iannacone
Attorney at Law
8687 Eagle Point Boulevard
Lake Elmo, MN 55042

Re: Daniel John Lane
Bankruptcy 03-37323
Vermillion Bank v Lane

Dear Mr. Iannacone:

Enclosed and served upon you by U.S. Mail please find a copy of my Answer.

Since I gave all my papers to Mr. Radke, I do not have copies so I would appreciate it if you would send me a copy of the following:

1. The original Note
2. The Financial Statement
3. The Renewal/Extension Agreement
4. The documents you have to show that I had \$120,000 available to me as you stated in 16 (b) of your Complaint
5. The balance owing in June of 2003.

Yours truly,



Daniel Lane
1130 Bahls Drive #257
Hastings, MN 55033
(612) 991-7941

April 23, 2004

(HAND DELIVERED)

United States Bankruptcy Court
200 Federal Building
316 N Robert Street
St. Paul, MN 55101

Re: Bankruptcy File No. 03-37323
Adversary 04-3102

Dear Administrator:

Enclosed is my Answer to the Complaint along with Affidavit of Service. If there is anything else I need to provide, please let me know.

Yours truly,

A handwritten signature in cursive script that reads "Daniel Lane".

Daniel Lane
1130 Bahls Drive #257
Hastings, MN 55033
(612) 991-7941